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**FISCAL IMPACT STATEMENT**

**LS 6803**

**BILL NUMBER:** HB 1195

**NOTE PREPARED:** Dec 30, 2011

**BILL AMENDED:**

**SUBJECT:** Property tax appeals.

**FIRST AUTHOR:** Rep. Smith M

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X GENERAL  
DEDICATED  
FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** This bill establishes standards of review for property tax assessment appeals.

**Effective Date:** July 1, 2012.

**Explanation of State Expenditures:** The Indiana Board of Tax Review and the Indiana Tax Court could have increased caseloads if this provision encourages more property assessment appeals.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** This bill requires that real property assessments must be based on the DLGF's assessment rules and guidelines.

Beginning with appeals that are pending or commenced after June 30, 2012, the bill would permit a taxpayer to present evidence of nonuniform assessments in a property assessment appeal. The taxpayer may prove that their assessment is not uniform by showing that their assessment is greater than the median assessment of a reasonable number of appropriately adjusted comparable properties in Indiana. The taxpayer would prevail unless the assessor rebuts the taxpayer's evidence with alternative evidence of comparable properties.

This provision could result in the filing of additional appeals. It could also affect the outcome of both pending and future appeals. If more appeals are successful, there would be a shift of a part of the tax burden from the successful appellants to all other taxpayers.

**State Agencies Affected:** Indiana Board of Tax Review; Indiana Tax Court.

**Local Agencies Affected:** Property tax assessment boards of appeals.

**Information Sources:**

**Fiscal Analyst:** Bob Sigalow, 317-232-9859.